

Village of Hilton Beach
Consolidated Financial Statements
For the year ended December 31, 2025

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For the year ended December 31, 2025

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Village of Hilton Beach
Management's Responsibility for Financial Reporting

December 31, 2025

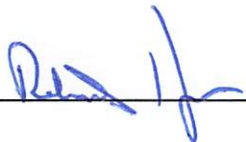
The accompanying consolidated financial statements of the Village of Hilton Beach are the responsibility of management and have been approved by the Mayor and Clerk-Treasurer on behalf of Council.

The consolidated financial statements have been prepared by management in accordance with Canadian public sector accounting standards. Consolidated financial statements are not precise since they include certain amounts based on estimates and judgements. When alternative accounting methods exist, management has chosen those it deems most appropriate in the circumstances, in order to ensure that the consolidated financial statements are presented fairly, in all material respects.

The municipality maintains systems of internal accounting and administrative controls of high quality, consistent with reasonable cost. Such systems are designed to provide reasonable assurance that the financial information is relevant, reliable and accurate and the municipality's assets are appropriately accounted for and adequately safeguarded.

The municipal Council is responsible for ensuring that management fulfills its responsibilities for financial reporting and is ultimately responsible for reviewing and approving the consolidated financial statements.

The consolidated financial statements have been audited by BDO Canada LLP in accordance with Canadian generally accepted auditing standards on behalf of the ratepayers and inhabitants of the municipality. The accompanying Independent Auditors' Report outlines their responsibilities, the scope of their examination and their opinion on the municipality's consolidated financial statements.


_____ Mayor


_____ Clerk-Treasurer



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Independent Auditor's Report

To the Members of Council, Inhabitants and Ratepayers of the
Village of Hilton Beach

Qualified Opinion

We have audited the consolidated financial statements of Village of Hilton Beach (the Village), which comprise the consolidated statement of financial position as at December 31, 2025, and the consolidated statements of operations, change in net financial assets and cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, except for the possible effects of the matters described in the Basis for Qualified Opinion section of our report the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Village as at December 31, 2025, and its consolidated results of operations, its consolidated change in net financial assets, and its consolidated cash flows for the year then ended in accordance with Canadian public sector accounting standards.

Basis for Qualified Opinion

Effective January 1, 2023, the Village was required to adopt PS 3280 Asset Retirement Obligations which requires the recognition of legal obligations associated with the retirement of tangible capital assets by public sector entities. Under the modified retroactive application method, the asset retirement obligation on transition is to be recorded using assumptions as of January 1, 2023. The corresponding asset retirement cost is added to the carrying value of the related tangible capital assets adjusted for amortization since the time the legal obligation was incurred. The net adjustment is charged to accumulated surplus. Comparative figures are to be restated to reflect this change in accounting policy. Management has not completed its assessment of the tangible capital assets for potential asset retirement obligations. As a result, it is not possible to quantify the impact of this departure from Canadian public sector accounting standards on expenses and annual surplus for the years ended December 31, 2025 and 2024, tangible capital assets and the asset retirement obligation as at December 31, 2025 and 2024, and accumulated surplus as at January 1 and December 31 for both the 2025 and 2024 years.

The Village was also unable to provide satisfactory audit evidence with respect to the existence or accuracy of employee hours worked during the prior year. Accordingly, we were unable to confirm or verify by alternate means that all payroll expenses of the Village have been properly recorded. As a result, we were unable to determine whether any adjustments might be necessary to payroll expenses and annual surplus for the year ended December 31, 2024 and accumulated surplus as at December 31, 2024.

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Consolidated Financial Statements* section of our report. We are independent of the Village in accordance with the ethical requirements that are relevant to our audit of the consolidated financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified opinion.

Independent Auditor's Report (continued)

Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with Canadian public sector accounting standards, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is responsible for assessing the Village's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Village or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Village's financial reporting process.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Village's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Village's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Village to cease to continue as a going concern.

Independent Auditor's Report (continued)

- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Village to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

BDO Canada LLP

Chartered Professional Accountants, Licensed Public Accountants
Sault Ste. Marie, Ontario
June 25, 2026

Village of Hilton Beach
Consolidated Statement of Financial Position

<u>December 31</u>	<u>2025</u>	<u>2024</u>
Financial assets		
Bank	\$ 735,065	\$ 490,025
Short term investments (Note 3)	76,523	130,386
Taxes receivable	54,983	47,681
Accounts receivable	52,733	51,311
Inventories held for resale	3,996	3,996
	<u>923,300</u>	<u>723,399</u>
Liabilities		
Accounts payable and accrued liabilities	115,144	85,639
Deferred revenue - general (Note 5)	229,680	261,957
	<u>344,824</u>	<u>347,596</u>
Net financial assets	578,476	375,803
Non-financial assets		
Tangible capital assets (Schedule 1)	<u>6,701,987</u>	<u>6,812,776</u>
Accumulated surplus (Note 6)	\$ 7,280,463	\$ 7,188,579

On behalf of the Council:


_____ Mayor


_____ Clerk-Treasurer

Village of Hilton Beach

Consolidated Statement of Operations

For the year ended December 31	Budget	2025	2024
Revenue			
Taxation (Note 2)	\$ 447,513	\$ 448,233	\$ 411,214
Government grants - Provincial	458,205	494,267	289,751
Government grants - Federal	17,266	4,816	1,650
Other municipalities	38,500	43,636	57,781
User fees and service charges	474,555	480,554	429,597
Licences, permits and rents	59,450	97,573	60,253
Penalties and interest on taxes	4,000	5,759	5,011
Investment income	-	5,107	4,197
Other	51,821	75,287	75,965
	<u>1,551,310</u>	<u>1,655,232</u>	<u>1,335,419</u>
Expenses			
General government	373,933	405,417	411,564
Protection services	94,324	126,221	103,677
Transportation services	225,703	124,968	76,488
Environmental services	504,121	393,362	407,062
Health services	50,632	45,014	51,179
Social and family services	43,282	48,821	39,231
Recreation and cultural services	173,883	163,140	187,149
Planning and development	374,339	256,405	262,986
	<u>1,840,217</u>	<u>1,563,348</u>	<u>1,539,336</u>
Annual surplus (deficit)	(288,907)	91,884	(203,917)
Accumulated surplus , beginning of year	<u>7,188,579</u>	<u>7,188,579</u>	<u>7,392,496</u>
Accumulated surplus , end of year	<u>\$ 6,899,672</u>	<u>\$ 7,280,463</u>	<u>\$ 7,188,579</u>

The accompanying notes are an integral part of these financial statements.

Village of Hilton Beach

Consolidated Statement of Changes in Net Financial Assets (Debt)

For the year ended December 31	Budget	2025	2024
Annual surplus (deficit)	\$ (288,907)	\$ 91,884	\$ (203,917)
Acquisition of tangible capital assets	-	(134,339)	(28,812)
Amortization of tangible capital assets	-	245,127	235,190
Gain on disposal of tangible capital assets	-	(42,999)	-
Proceeds on sale of tangible capital assets	-	43,000	-
Net change in net financial assets	(288,907)	202,673	2,461
Net financial assets, beginning of year	375,803	375,803	373,342
Net financial assets, end of year	\$ 86,896	\$ 578,476	\$ 375,803

The accompanying notes are an integral part of these financial statements.

Village of Hilton Beach Consolidated Statement of Cash Flows

For the year ended December 31	2025	2024
Operating transactions		
Annual surplus (deficit)	\$ 91,884	\$ (203,917)
Items not involving cash		
Amortization	245,127	235,190
Gain on disposal of tangible capital assets	(42,999)	-
	294,012	31,273
Changes in non-cash operating balances		
Short term investment	53,863	(76,726)
Taxes receivable	(7,302)	4,320
Accounts receivable	(1,422)	220,617
Inventories held for resale	-	7,313
Accounts payable and accrued liabilities	29,505	(38,764)
Obligatory reserve and deferred revenue	(32,277)	67,348
	336,379	215,381
Capital transactions		
Acquisition of tangible capital assets	(134,339)	(28,812)
Proceeds on sale of tangible capital assets	43,000	-
Net change in cash	245,040	186,569
Cash, beginning of year	490,025	303,456
Cash, end of year	\$ 735,065	\$ 490,025

The accompanying notes are an integral part of these financial statements.

Village of Hilton Beach

Notes to Consolidated Financial Statements

December 31, 2025

1. Summary of significant accounting policies

Basis of Consolidation These consolidated financial statements reflect the assets, liabilities, sources of financing and expenses of all municipal organizations, committees and boards which are owned or controlled by the municipality. These financial statements include the Hilton Union Public Library. All inter-fund assets and liabilities and sources of financing and expenditures have been eliminated with the exception of loans or advances between reserve funds and any other fund of the Village and the resulting interest income and expenditures.

Under PSAB standards, the Village reports only its share of assets, liabilities and results of operations of any government partnerships in which it participates. The Village participates in the Hilton Union Fire Board, an entity created to provide fire protection for two neighbouring municipalities. The Village also participates in the St. Joseph Island Museum Board, an entity created to support the museum on St. Joseph Island.

Cash and Cash Equivalents Management considers all highly liquid investments with maturity of three months or less at acquisition to be cash equivalents.

Tangible Capital Assets Tangible capital assets are recorded at cost less accumulated amortization. Cost includes all costs directly attributable to acquisition or construction of the tangible capital asset including transportation costs, installation costs, design and engineering fees, legal fees and site preparation costs. Contributed tangible capital assets are recorded at fair value at the time of the donation, with a corresponding amount recorded as revenue. Amortization is recorded on a straight-line basis over the estimated life of the tangible capital asset commencing once the asset is available for productive use as follows:

Land improvements	15 to 100 years
Buildings	15 to 75 years
Machinery, equipment and furnishings	10 to 75 years
Vehicles	15 to 25 years
Roads	25 to 50 years
Water and sewer mains	75 years
Marina dockage	15 to 25 years
Library collection	10 years

Works of art and historical treasures are not recognized as tangible capital assets in the financial statements because a reasonable estimate of the future benefits associated with such property cannot be made.

Village of Hilton Beach

Notes to Consolidated Financial Statements

December 31, 2025

1. Summary of significant accounting policies (continued)

Collection of Taxes on Behalf of Other Taxation Authorities	The village collects taxation revenue on behalf of other entities. Such levies, other revenues, expenses, assets and liabilities with respect to the operations of these other entities are not reflected in these consolidated financial statements.
Retirement Benefits	The municipality provides pension benefits to specified employees through the Ontario Municipal Employees Retirement Fund (OMERS), a multi-employer plan. The municipality's contributions due during the period are expensed as incurred.
Deferred Revenue	Funds received for specific purposes which are externally restricted by legislation, regulation or agreement and are not available for general municipal purposes are accounted for as deferred revenue on the consolidated statement of financial position. The revenue is recognized in the consolidated statement of operations in the year in which it is used for the specified purpose.
Government Transfers	Government transfers, which include legislative grants, are recognized in the financial statements in the period in which events giving rise to the transfers occur, providing the transfers are authorized, any eligibility criteria have been met, and reasonable estimates of the amount can be made.
Revenue Recognition	Taxes are recorded at estimated amounts when they meet the definition of an asset, have been authorized and the taxable event occurs. For property taxes, the taxable event is the period for which the tax is levied. Taxes receivable are recognized net of an allowance for anticipated uncollectable amounts. Conditional grant revenue is recognized to the extent the conditions imposed on it have been fulfilled. Unconditional grant revenue is recognized when monies are receivable. Grants for the acquisition of tangible capital assets are recognized in the period in which eligible expenditures are made. Sales of service and other revenue is recognized on an accrual basis.
Use of Estimates	The preparation of financial statements in conformity with Canadian public sector accounting standards requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from management's best estimates as additional information becomes available in the future.

Village of Hilton Beach
Notes to Consolidated Financial Statements

December 31, 2025

2. Taxation

	<u>2025</u>	<u>2024</u>
Residential and multi-residential	\$ 466,140	\$ 430,742
Commercial and industrial	<u>22,454</u>	<u>21,045</u>
	488,594	451,787
Deduct: amounts received or receivable for school boards	<u>(40,361)</u>	<u>(40,573)</u>
	<u>\$ 448,233</u>	<u>\$ 411,214</u>

3. Short term investments

The Hilton Union Public Library renewed a \$3,925 GIC on July 27, 2025 with a term of one year and subject to an interest rate of 2.85%.

The Village has renewed \$72,275 in GICs on October 16, 2025 with terms of one year and subject to an interest rate of 2.15% (2024 - range of 3.25% to 3.90%).

Village of Hilton Beach

Notes to Consolidated Financial Statements

December 31, 2025

4. Post employment and retirement benefits

The municipality makes contributions to the Ontario Municipal Employees Retirement Fund (OMERS), which is a multi-employer plan, on behalf of eligible members of its staff. The plan is a defined benefit plan which specifies the amount of the retirement benefit to be received by the employees based on the length of service and rates of pay.

Because OMERS is a multi-employer pension plan, the Municipality does not recognize any share of the pension plan deficit, as this is a joint responsibility of all Ontario municipalities and their employees. At December 31, 2025 OMERS reported an actuarial funding deficit of \$1,322 million.

The municipality's contributions to OMERS equal those made by the employees. During the year, the municipality contributed \$18,027 (2024 - \$13,001) to the plan. As this is a multi-employer pension plan, these contributions are the municipality's pension benefit expense. Contribution amounts are determined by OMERS which adjusts rates to reflect actuarial requirements. Any surplus or deficit of the pension plan is not included in the municipality's financial statements.

5. Deferred revenue

	<u>2025</u>	<u>2024</u>
Ontario Community Infrastructure Fund (OCIF)	\$ 100,465	\$ 139,394
Ministry of Northern Development, Mines, Natural Resources and Forestry (NORDS)	57,349	64,444
Federal Gas Tax	69,942	56,115
Other	1,924	2,004
	<u>\$ 229,680</u>	<u>\$ 261,957</u>

Village of Hilton Beach

Notes to Consolidated Financial Statements

December 31, 2025

6. Accumulated surplus

Allocation of annual surplus (deficit)

	2025	2024
Gain (loss) in tangible capital assets	\$ (110,789)	\$ (206,376)
Reserve and reserve funds	16,290	9,197
General surplus (deficit)	161,997	(51,135)
Library surplus (deficit)	9,047	(962)
Fire department surplus	15,339	13,341
Unfunded capital expenditure	-	32,018
Total surplus (deficit)	<u>\$ 91,884</u>	<u>\$ (203,917)</u>

	2025	2024
<i>Reserves set aside for specific purposes by Council</i>		
Cash flow reserves	\$ 61,156	\$ 57,337
Reserves for operating purposes	8,855	8,855
Reserves for capital purposes	<u>293,861</u>	<u>281,390</u>
Total reserves	363,872	347,582
Equity in tangible capital assets	6,701,987	6,812,776
Operating surplus	215,710	29,327
<i>Amounts to be recovered from future revenues:</i>		
Unfunded landfill liabilities	<u>(1,106)</u>	<u>(1,106)</u>
	<u>\$ 7,280,463</u>	<u>\$ 7,188,579</u>

7. Public Sector Salary Disclosure Act

For 2025, no employees were paid salaries, as defined in the Public Sector Salary Disclosure Act, 1996, of \$100,000 or more.

Village of Hilton Beach

Notes to Consolidated Financial Statements

December 31, 2025

8. Budget

The Financial Plan (Budget) By-Law adopted by Council on June 11, 2025 was not prepared on a basis consistent with that used to report actual results (Public Sector Accounting Standards). The budget was prepared on a modified accrual basis while Public Sector Accounting Standards require a full accrual basis. The budget figures anticipated use of reserves and/or surpluses accumulated in previous years to reduce current year expenditures in excess of current year revenues to \$nil. In addition, the budget expensed all tangible capital expenditures rather than including amortization expense. As a result, the budget figures presented in the statements of operations and change in net financial assets represent the Financial Plan adopted by Council on June 11, 2025 with adjustments as follows:

	<u>2025</u>
Financial Plan (Budget) Bylaw surplus for the year	\$ -
Add:	
Less:	
Net inter-fund transfers from reserves	(43,780)
Amortization	<u>(245,127)</u>
Budget surplus (deficit) per statement of operations	<u>\$ (288,907)</u>

9. Segmented information

The municipality is a diversified local government institution that provides a wide range of services to its citizens. For management reporting purposes, municipal operations and activities are organized and reported by Fund. Funds were created for the purpose of recording specific activities to attain certain objectives in accordance with special regulations, restrictions or limitations.

Municipal services are provided by departments and their activities are reported in these funds. Certain departments that have been separately disclosed in the segmented information, along with the services they provide, are as follows:

General government

The administration department oversees the delivery of all government services. The department is responsible for ensuring that there are adequate policies and procedures in place to safeguard assets and to properly report financial activities. In addition, this department includes the governance activities of council.

Protection

Protection is comprised of the police, fire/emergency, by-law enforcement and building inspections departments. The mandate of the police department is to ensure the safety of the lives and property of citizens; preserve peace and good order; prevent crimes from occurring; detect offenders; and enforce the law. The fire/emergency department is responsible to provide fire suppression service; fire prevention programs; training and education related to prevention, detection or extinguishment of fires. The by-law enforcement and building inspection department ensures properties are in compliance with applicable legislation, by-laws, building standards and construction codes.

Village of Hilton Beach

Notes to Consolidated Financial Statements

December 31, 2025

10. Segmented information (continued)

Transportation

The transportation department is responsible for the delivery of municipal public works services related to the planning, development and maintenance of roadway systems and winter control.

Environmental

The environmental department consist of two distinct utilities - water and solid waste disposal. The department provides drinking water to ratepayers and purchases services for garbage disposal, hazardous waste, and recycling.

Health

Through the Algoma Public Health Unit, the municipality contributes to public health services and education and through the Algoma District Services Administration Board, to ambulance services.

Social and family

Through the Algoma District Services Administration Board, the municipality contributes to social assistance payments, child care services and social housing.

Recreation and cultural

The recreation and cultural department provides public services that contribute to neighbourhood development and sustainability through the provision of recreation and leisure services such as parks, fitness, marina, and sports programs. It provides public services that contribute to healthy communities through partnerships, promotion, prevention, protection and enforcement. The department also contributes towards the information and cultural needs of the municipality's citizens through the contribution to the local library and museum.

Planning

The planning department provides a diverse bundle of services. It manages development for business interests, environmental concerns, heritage matters and neighbourhoods through planning and community development activities. It facilitates economic development by providing services for the approval of all land development plans.

For each reported segment, revenues and expenses include both amounts that are directly attributable to the segment and amounts that are allocated on a reasonable basis. Therefore, certain allocation methodologies are employed in the preparation of segmented financial information.

The accounting policies used in these segments are consistent with those followed in the preparation of the consolidated financial statements as disclosed in the summary of significant accounting policies. For additional information see Schedule 2 - Consolidated Schedule of Segment Disclosure.

Village of Hilton Beach
Schedule 1 - Consolidated Tangible Capital Assets

For the year ended December 31, 2025

		Land		Equipment, Machinery, and Furnishings		Roads, Water and Sewer Infrastructure		Marina Infrastructure		Library Collection		Total						
	Land	Improvements	Buildings		Vehicles													
Cost, beginning of year	\$	331,196	\$	353,703	\$	2,891,273	\$	2,824,063	\$	134,590	\$	3,013,421	\$	3,389,151	\$	124,352	\$	13,061,749
Additions		-		-		74,366		52,884		-		23,882		-		4,892		156,024
Disposals		(1)		-		-		(5,405)		(10,556)		-		-		-		(15,962)
Cost, end of year		331,195		353,703		2,965,639		2,871,542		124,034		3,037,303		3,389,151		129,244		13,201,811
Accumulated amortization, beginning of year		-		248,205		1,231,021		1,576,829		74,188		1,202,737		1,807,555		108,438		6,248,973
Amortization		-		2,805		52,044		80,561		7,533		45,801		52,676		3,707		245,127
Disposals		-		-		14,008		(5,405)		(2,879)		-		-		-		5,724
Accumulated amortization, end of year		-		251,010		1,297,073		1,651,985		78,842		1,248,538		1,860,231		112,145		6,499,824
Net carrying amount, end of year	\$	331,195	\$	102,693	\$	1,668,566	\$	1,219,557	\$	45,192	\$	1,788,765	\$	1,528,920	\$	17,099	\$	6,701,987

The accompanying notes are an integral part of these financial statements.

Village of Hilton Beach
Schedule 1 - Consolidated Tangible Capital Assets (continued)

For the year ended December 31, 2024 (comparative figures)

		Land	Land Improvements	Buildings	Equipment, Machinery, and Furnishings	Vehicles	Roads, Water, and Sewer Infrastructure	Marina Infrastructure	Library Collection	Total
Cost, beginning of year	\$	331,196	\$ 353,703	\$ 2,871,735	\$ 2,818,328	\$ 134,590	\$ 3,013,421	\$ 3,389,151	\$ 120,813	\$ 13,032,937
Additions		-	-	19,538	5,735	-	-	-	3,539	28,812
Cost, end of year		331,196	353,703	2,891,273	2,824,063	134,590	3,013,421	3,389,151	124,352	13,061,749
Accumulated amortization, beginning of year		-	245,400	1,182,657	1,506,272	64,205	1,157,890	1,752,424	104,935	6,013,783
Amortization		-	2,805	48,364	70,557	9,983	44,847	55,131	3,503	235,190
Accumulated amortization, end of year		-	248,205	1,231,021	1,576,829	74,188	1,202,737	1,807,555	108,438	6,248,973
Net carrying amount, end of year	\$	331,196	\$ 105,498	\$ 1,660,252	\$ 1,247,234	\$ 60,402	\$ 1,810,684	\$ 1,581,596	\$ 15,914	\$ 6,812,776

The accompanying notes are an integral part of these financial statements.

Village of Hilton Beach

Schedule 2 - Consolidated Segment Disclosure

For the year ended December 31, 2025

	General Government	Protection	Trans- portation	Environ- mental	Health	Social and Family	Recreation and Cultural	Planning and Development	Consolidated Total
Revenue									
Taxation	\$ 102,648	\$ 60,979	\$ 137,225	\$ 60,307	\$ 33,923	\$ 28,999	\$ 24,152	\$ -	\$ 448,233
Government grants - Provincial	109,831	34,429	138,127	100,116	16,764	14,330	80,670	-	494,267
Government grants - Federal	-	-	-	-	-	-	-	4,816	4,816
Other municipalities	-	-	-	43,636	-	-	-	-	43,636
User fees and service charges	-	-	-	150,541	-	-	40,198	289,815	480,554
Licences, permits and rents	29,562	34,239	-	27,080	-	-	6,692	-	97,573
Penalties and interest on taxes	5,759	-	-	-	-	-	-	-	5,759
Investment income	-	5,107	-	-	-	-	-	-	5,107
Other	54,888	-	824	976	-	-	18,599	-	75,287
	302,688	134,754	276,176	382,656	50,687	43,329	170,311	294,631	1,655,232
Expenses									
Salaries and benefits	212,055	4,881	65,951	29,798	-	-	35,222	57,416	405,323
Materials and supplies	70,653	18,565	49,967	241,516	-	-	91,535	104,771	577,007
Contracted services	92,786	89,151	-	27,956	-	-	532	19,430	229,855
Rents and financial	3,949	-	-	-	-	-	-	8,252	12,201
External transfers and other	-	-	-	-	45,014	48,821	-	-	93,835
Amortization	25,974	13,624	9,050	94,092	-	-	35,851	66,536	245,127
	405,417	126,221	124,968	393,362	45,014	48,821	163,140	256,405	1,563,348
Net surplus (deficit)	\$ (102,729)	\$ 8,533	\$ 151,208	\$ (10,706)	\$ 5,673	\$ (5,492)	\$ 7,171	\$ 38,226	\$ 91,884

The accompanying notes are an integral part of these financial statements.

Village of Hilton Beach
Schedule 2 - Consolidated Segment Disclosure (continued)

For the year ended December 31, 2024 (comparative figures)

	General Government	Protection	Trans- portation	Environ- mental	Health	Social and Family	Recreation and Cultural	Planning	Consolidated Total
Revenue									
Taxation	\$ 178,020	\$ 44,924	\$ 63,881	\$ 17,319	\$ 26,402	\$ 23,030	\$ 57,638	\$ -	\$ 411,214
Government grants - Provincial	75,586	19,075	27,124	105,081	11,210	9,778	41,897	-	289,751
Government grants - Federal	-	-	1,650	-	-	-	-	-	1,650
Other municipalities	-	-	-	57,781	-	-	-	-	57,781
User fees and service charges	-	-	-	141,608	-	-	50,934	237,055	429,597
Licences, permits and rents	1,070	27,814	-	26,994	-	-	4,375	-	60,253
Penalties and interest on taxes	5,011	-	-	-	-	-	-	-	5,011
Investment income	-	4,197	-	-	-	-	-	-	4,197
Other	36,289	39,564	-	112	-	-	-	-	75,965
	295,976	135,574	92,655	348,895	37,612	32,808	154,844	237,055	1,335,419
Expenses									
Salaries and benefits	204,958	5,462	20,067	31,162	-	-	54,034	49,800	365,483
Materials and supplies	77,433	15,546	48,326	248,854	-	-	84,172	120,725	595,056
Contracted services	87,715	79,973	-	32,847	-	-	12,373	19,488	232,396
Rents and financial	15,253	-	-	-	-	-	-	5,549	20,802
External transfers and other	-	-	-	-	51,179	39,231	-	-	90,410
Amortization	26,205	2,696	8,095	94,199	-	-	36,570	67,424	235,189
	411,564	103,677	76,488	407,062	51,179	39,231	187,149	262,986	1,539,336
Net surplus (deficit)	\$ (115,588)	\$ 31,897	\$ 16,167	\$ (58,167)	\$ (13,567)	\$ (6,423)	\$ (32,305)	\$ (25,931)	\$ (203,917)

The accompanying notes are an integral part of these financial statements.